

STATE OF ALABAMA
ALABAMA SECURITIES COMMISSION

IN THE MATTER OF:)
) ADMINISTRATIVE ORDER
ANOLA.IO,) NO. CD-2023-0004
ANOLA TRADING LIMITED, and)
ANTON PLAHOITIN,)
Whose identity is otherwise unknown)
)
RESPONDENTS)

CEASE AND DESIST ORDER

The Alabama Securities Commission ("Commission"), having the authority to administer and provide for the enforcement of all provisions of Title 8, Chapter 6, Code of Alabama 1975, the Alabama Securities Act ("Act"), upon due consideration of the subject matter hereof, has determined as follows:

RESPONDENTS

1. **ANOLA.IO (ANOLA)** is an online entity that purports to be a crypto currency trading, storage and investment platform, having a business address of 1st Floor Exchange House 54-62 Athol Street Douglas, Isle of Man IM1 1JD and Anglo International House 52 Lord Street Douglas, Isle of Man IM14LE. **ANOLA** was accessible through **ANOLA.IO** or the website <https://www.anola.io> and may be served through: (1) its domain provider, GoDaddy.com, LLC. located at 2155 E. GoDaddy Way Tempe, Arizona 85284 and may receive this order via fax at (480) 624-2546; and (2) via email to the subscriber email address registered with GoDaddy.com, LLC for **ANONAL.IO**.

2. **ANOLA TRADING LIMITED** is a registered business name for **ANOLA** and has a listed business address of 5 St. John's Ln, London, United Kingdom EC1M4BH and 1st Floor, Exchange House, 54-62 Athol Street, Douglas, Isle of Man IM1 1JD. As the business name for **ANOLA**, it may be served through: (1) the **ANOLA** domain provider, GoDaddy, LLC. located at 2155 E. GoDaddy Way Tempe, Arizona 85284 and may receive this order via fax at (480) 624-2546; and (2) via email to the subscriber email address registered with GoDaddy.com, LLC for **ANONAL.IO**.

3. **ANTON PLAHOTIN** is the owner of **ANOLA** and utilized Saksoganskogo Street 4b Kiev, Ukraine 10125 as a billing and shipping address; therefore, **ANTON PLAHOTIN** may be noticed through: (1) the above listed address; (2) GoDaddy.com, LLC. located at 2155 E. GoDaddy Way Tempe, Arizona 85284 and may receive this order via fax (480) 624-2546; (3) via email to the subscriber email address registered with GoDaddy.com, LLC for **ANONAL.IO**.

STATEMENT OF FACTS

4. On January 25, 2022, the Alabama Securities Commission received a complaint from an Alabama investor who invested in **ANOLA**. The Alabama investor invested in **ANOLA**'s algorithmic trading program using Tether (USDT). The Alabama investor was to receive daily interest on their investment, and the interest rate was to increase as their investment grew. After the Alabama investor invested \$15,762.81 USD, **ANOLA** became inactive, and the Alabama investor has been unable to retrieve their funds.

5. The Alabama investor initially learned of **ANOLA** through a co-worker who also invested with **ANOLA**. The Alabama investor was advised by the co-worker that they had invested and showed them their account. The Alabama investor created an account with **ANOLA** on or about November 27, 2021 and invested in **ANOLA**'s algorithmic trading platform using the crypto currency, Tether. The investment period was to be two hundred and forty-four days (244), and according to the website and contract, in return for their investment in **ANOLA**, the Alabama investor would receive daily profit returns.

6. The Alabama investor made four investments using USDT between November 29, 2021, and December 22, 2021. The Alabama investor sent the USDT from their Crypto.com exchange account to the ERC20 cryptocurrency address 0x36196c1029f3f97220363ca99f94f71bceb66af6. These investments totaled \$15,762.81 USD after fees were paid.

7. On or about December 29, 2021, the Alabama investor was no longer able to access **ANOLA** and their funds. The Alabama investor was unable to access the contract, which was posted on the website. No funds were returned to the Alabama investor, nor did they receive any compensation for their investment.

8. The Commission spoke with the Alabama investor's co-worker, who invested in **ANOLA** and is a resident of Alabama. After reviewing the **ANOLA** website and speaking with a friend who had invested with **ANOLA**, this second Alabama investor invested four-thousand and five-hundred dollars (\$4,500.00 USD) through multiple transactions between August and October of 2021. This Alabama investor advised that there was a contract online, and through investing they were to receive interest payments. The Alabama investor advised that accrued interest was to be paid in the **ANOLA** native token.

9. The second Alabama investor advised **ANOLA** and the **ANOLA** phone application were no longer accessible on or about December 27, 2021. This Alabama investor is no longer able to access their funds. This Alabama investor advised the Commission other investors with **ANOLA** received emails stating, "*the tax man had come,*" and the investor had to provide additional funds to make withdrawals.

10. The Commission reviewed a white paper produced by **ANOLA** and **ANOLA TRADING LIMITED**. On page 5 of the white paper, **ANOLA** states, "*Anola platform users receive a guaranteed high income.*" Additionally, page 26 of the white paper states, "*You are guaranteed to earn interest on cryptoassets with the Anola trading platform.*" The white paper discusses that the investor does not have to be involved in generating profit from their investments and that **ANOLA** creates the profit through their algorithm.

11. GoDaddy.com provided information to the Commission pertaining to **ANOLA**. GoDaddy.com advised **ANTON PLAHOTIN** purchased the domain **ANOLA.IO** and used **ANOLA TRADING LIMITED** as their business name. The address for the billing information was Saksoganskogo Street 4b Kiev, Kiev 10125 UA.

12. A review of **ANOLA**, open-source documents, and information provided by the two Alabama investors revealed misrepresentations made by **ANOLA**. The Commission observed that on **ANOLA**, “Lucas Hines,” and “Jack Fowler” were represented as being Executive Officers in the company. These subjects were featured in videos released by **ANOLA TRADING LIMITED** and have been identified as actors who were otherwise unrelated with **ANOLA**.

13. Furthermore, addresses used by **ANOLA** were inaccurate. The Isle of Man Financial Services Authority stated, “*Those operating the potentially fraudulent website www.anola.io have no authority to claim that they operate in or from the address, 1st Floor, Exchange House, 54-62 Athol Street, Douglas, Isle of Man IM1 1JD and they are not known to anyone genuinely associated to that address. The website www.anola.io is also using the address, Anglo International House, 52 Lord Street, Douglas, IM1 4LE. Enquiries undertaken by the authority would show that this is not a legitimate address in the Isle of Man.*”

14. On July 13, 2022, a review of the registration files of the Commission revealed no registration for the **RESPONDENTS** in any capacity.

15. A review of the Alabama Secretary of State’s online database revealed no business filing for the **RESPONDENTS** as domestic or foreign businesses.

16. **RESPONDENTS** were checked in the National Futures Association (NFA) Basic database, and it was determined none were registered.

CONCLUSIONS OF LAW

17. Pursuant to Section 8-6-2(10), Code of Alabama, 1975, the definition of a security includes investment contracts and profit-sharing agreements. The investment plans outlined by **RESPONDENTS** require the investment of money in the investment/forex trading program managed by **RESPONDENTS**, and the Alabama investors expected profits to be derived from the trading and algorithm of **RESPONDENTS**, and therefore, are securities as defined by the Act.

18. Pursuant to Section 8-6-2(5), Code of Alabama, 1975, an Issuer is every person who proposes to issue, has issued, or shall hereafter issue any security. Any person who acts for a compensation or a consideration as a promoter for or on behalf of a corporation, trust, unincorporated association, or partnership of any kind to be formed shall be deemed to be an issuer. **RESPONDENTS** issued a security in the form of an investment contract with the Alabama investors and are Issuers as defined in the Act.

19. Pursuant to section 8-6-4, Code of Alabama, 1975, it is unlawful for any person to offer or sell any security in this state unless: (1) it is registered under the Act; (2) The security is exempt from registration under Section 8-6-10; or (3) the transaction is exempt under Section 8-6-11. **RESPONDENTS** sold a security as defined under Section 8-6-2(10), Code of Alabama 1975, while that security was neither exempt nor registered with the state, in violation of the Act.

20. Pursuant to Section 8-6-17(a)(1), Code of Alabama, 1975, it is unlawful for any person, in connection with the offer, sale, or purchase of any security, directly or indirectly, to employ any device, scheme, or artifice to defraud. **RESPONDENTS** reported unrealistic returns, provided misleading promises of investment safety, presented fictitious company executives, published fictitious company addresses, and denied investors access to their funds in violation of the Act.

This Order is appropriate in the public interest for the protection of investors and is consistent with the purposes of the Act.

This Order does not prevent the Commission from seeking such other civil or criminal remedies that may be available to it under the Alabama Securities Act.

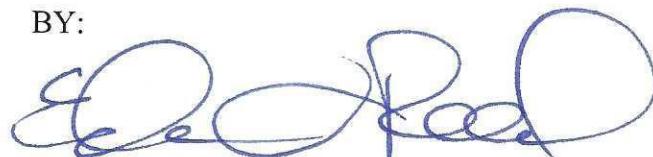
Additionally, if the allegations set forth herein are found to be true, through either administrative adjudication, failure of the **RESPONDENTS** to make a timely request for hearing, or default of the **RESPONDENTS**, it is the intention of the Commission to impose sanctions upon the **RESPONDENTS**. Such sanctions may include, *inter alia*, an administrative assessment imposed on **RESPONDENTS**, an additional administrative assessment for investigative costs arising from the investigation of the violations described herein against **RESPONDENTS**, and a permanent order to bar **RESPONDENTS** from participation in any securities-related industry in the State of Alabama.

ACCORDINGLY, IT IS HEREBY ORDERED that **RESPONDENTS CEASE AND DESIST** from further offers or sales of any security into, within or from the State of Alabama.

Entered at Montgomery, Alabama, this 30th day of JANUARY, 2023.

ALABAMA SECURITIES COMMISSION
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Montgomery, AL 36104
(334) 242-2984

BY:



Edwin L. Reed
Deputy Director - Administration

